

DATE: July 23, 2015

SUBJECT: Quality Assurance Funding 2015-20 Cycle

ACTION RECOMMENDED: Approval

BACKGROUND INFORMATION: Tennessee was the pioneer in developing quality based funding for higher education institutions and has become a model for states seeking to promote the highest standards and continuous improvement. Performance Funding incentivizes meritorious performance and provides a means of assessing the progress of student learning at public community colleges and universities.

Planning for Performance Funding began in 1974 with collaboration between higher education institutions, governing boards, THEC and a national advisory panel. This collaboration resulted in a set of research-based quality standards used to guide institutions as they seek to improve student learning while carrying out their unique missions. These standards include program evaluation and accreditation results, licensure rates, general education and major field assessment scores, and retention and graduation rates.

In 1979, Performance Funding was implemented to promote academic excellence and incentivize institutional improvement. Success on the quality standards allows institutions to earn a percentage of funds over their annual operating budgets. In addition, Performance Funding requires each institution to build mature institutional effectiveness operations, and evidence of these operations holds them in good standing with institutional and specialized accreditors.

Quality standards for Performance Funding are evaluated every five years to ensure alignment with the public agenda and state high education priorities. A committee comprised of Commission staff, governing boards and institutional faculty and staff collaborate to revise the standards that are then approved by the Commission. As a result, each five year cycle has particular defining features in addition to the common quality standards. The 1988-1992 cycle saw a shift in emphasis from the process of assessment to performance outcomes. The 2005-10 cycle emphasized solidifying articulation and transfer agreements. In the 2010-15 cycle, traditional productivity measures of retention and persistence to graduation were ceded to the Outcomes Based Funding Formula leaving Performance Funding to focus solely on quality standards.

Beginning with the 2015-20 cycle, Performance Funding will be known as Quality Assurance Funding (QAF). The change in name helps to distinguish the mission of Quality Assurance Funding from the Outcomes Based Funding Formula. The 2015-20 cycle standards reflect current state priorities outlined in the 2015-25 Master Plan and guided by the Drive to 55 and continue to challenge institutions to promote the highest standards and strive for excellence. The 2015-20 QAF standards reflect the professional judgment of the Advisory Committee which brought together institutional representatives and University of Tennessee and Tennessee Board of

Regents system staff. A Scoring Sub-Committee also worked with THEC staff to develop operational strategies in the evaluation of the standards. The Commission staff expresses appreciation to both committees for their contributions to the 2015-20 QAF standards.

2015-20 Quality Assurance Funding

Points by Standard

Standard	Community College	University
I. Student Learning and Engagement	75	75
• <i>General Education</i>	<i>15</i>	<i>15</i>
• <i>Major Field Assessment</i>	<i>15</i>	<i>15</i>
• <i>Academic Programs</i>	<i>15</i>	<i>25</i>
• <i>Institutional Satisfaction Study</i>	<i>10</i>	<i>10</i>
• <i>Adult Learner Success</i>	<i>10</i>	<i>10</i>
• <i>Tennessee Job Market Graduate Placement</i>	<i>10</i>	<i>NA</i>
II. Student Access and Success	25	25
TOTAL	100	100

Defining Features

Academic Programs

When an appropriate accrediting agency is not available, institutions utilize program evaluations to ensure that departmental standards remain high. Institutions may utilize the Program Review or Academic Audit to assess the quality of programs on campus through a self study and external review. As part of the 2015-20 cycle standards review, the Program Review and Academic Audit rubrics have been updated to reflect current best practices and more closely align with SACS-COC standards.

Institutional Satisfaction Study

In the 2015-20 QAF cycle, community colleges and universities will follow a unique schedule to engage various institutional stakeholders. Community colleges will use the Survey of Entering Student Engagement (SENSE) and Community College Survey of Student Engagement (CCSSE) as they welcome students utilizing the Tennessee Promise scholarship to their campuses. Universities will employ the National Survey of Student Engagement (NSSE), Faculty Survey of Student Engagement (FSSE) and Performance Enhancement Group (PEG) Alumni Study survey to evaluate satisfaction across the institution.

Adult Learner Success

A major component of Tennessee Reconnect and the 2015-25 Public Agenda is engaging adult learners. In order to support institutions in this critical mission, QAF has introduced an Adult Learner Success standard focused on the unique experiences and challenges faced by adult students. The standard utilizes both qualitative and quantitative measures to gauge success. Institutions will perform a self-study, gather feedback from adult students and develop an action plan to better serve the needs of adult students. The standard will also examine adult student retention and graduation rates.

Tennessee Job Market Graduate Placement

The Tennessee Longitudinal Data System (TLDS) will now serve as the source of data for the community college job placement standard. TLDS combines data from the Department of Education, Department of Labor and THEC and includes individuals employed in Tennessee. TLDS allows for statewide job placement analysis that is uniform across all community colleges.

Student Access and Success

Quality Assurance Funding will direct institutional attention on increasing access and success of focus populations around the state. In the 2015-20 cycle, institutions will select five populations on which to focus particular attention and resources. Veterans have been added as a focus population for the 2015-20 QAF cycle. Universities may also now focus on specific populations to increase the number of graduates in masters and doctoral programs.